



Australian Bureau of Statistics

1363.0 - Book Publishers, Australia, 2001-02

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Summary

Main Features

INTRODUCTION

This publication presents data, in respect of 2001-02, for businesses which had either book publishing as their main activity (book publishers) or generated \$2m or more in income from book publishing, although this was not their main activity (other major contributors).

OVERVIEW

For 2001-02, 226 businesses were identified as book publishers while a further 12 were other major contributors. These 238 businesses sold a total of 129.5 million books valued at \$1,340.8m. With a total income of \$1,471.0m, expenses of \$1,389.4m and a reduction in inventories of \$21.0m, the overall operating profit before tax of these businesses was \$60.6m (table1).

The 20 largest book publishers (in terms of income) generated 74% (\$1,092.9m) of the total income for book publishers and other major contributors. Similarly, the 20 largest book publishers achieved 76% (\$1,022.5m) of the value of total book sales and sold 73% (94.0 million) of all books. Their share of the total expenses was 75% (\$1,036.4m) (table1).

Book publishers and other major contributors reported an average profit margin of 4.1%. For the largest 20 book publishers, the profit margin was 3.4%. For other book publishers, the profit margin was 6.5% while other major contributors had a profit margin of 5.6%. The 20 largest book publishers contributed \$281.2m to industry value added (IVA), which is a measure of the value which an industry adds to the overall economy. This was 71% of the total (table1).

At the end of June 2002, book publishers and other major contributors employed 5,138 people, 3,353 (65%) of whom worked for the 20 largest book publishers (table1).

INCOME

Sales of books contributed \$1,340.8m (91%) to the total income of book publishers and other major contributors. This included an amount of \$492.6m for the sales of imported titles. Other income was mainly from sales of other goods (\$39.3m), services (\$35.5m), and royalties and sales of rights (\$24.2m)(table4).

EXPENSES

The major components of total expenses (\$1,389.4m) were printing costs, wages and salaries, and the cost of imported books. Printing costs accounted for \$287.8m or 21% of total expenses, with printing in Australia comprising \$159.9m and overseas \$127.9m. Wages and salaries contributed \$233.4m (17%) to total expenses while another \$48.2m was

spent on other labour costs. Businesses spent \$194.7m (14%) on imported books (table5).

METHOD OF SALE

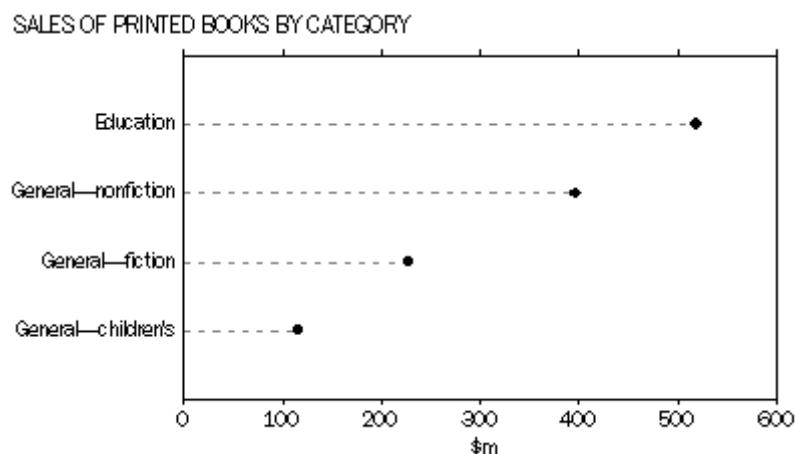
The majority of book sales (74% or \$989.2m) were to retailers and other book distributors for on-selling to individuals and organisations. The remaining sales (26% or \$351.7m) were transacted directly with the final consumer (table 11). An estimated \$6.8m (0.5%) of total book sales were made through the Internet (table1).

SALES OF BOOKS BY CATEGORY

Of the 238 businesses identified as book publishers and other major contributors, 130 were involved mainly in publishing books of general content while the remainder were predominantly publishing educational books (including professional and reference books) (table3).

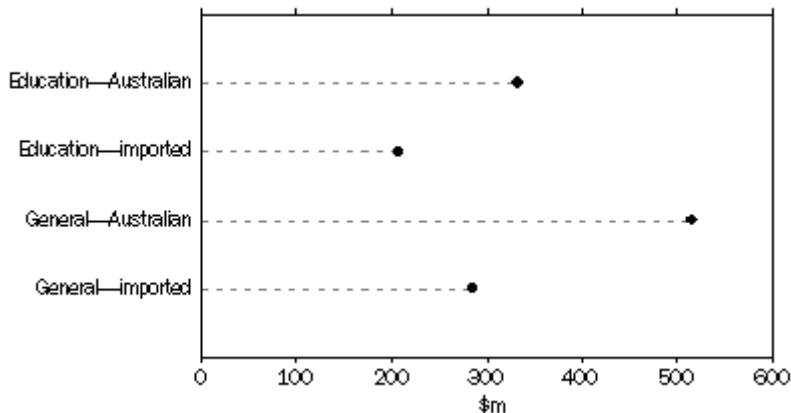
Book publishers and other major contributors sold \$794.5m worth of printed books of general content covering nonfiction (\$412.0m), fiction (\$245.8m) and children's books (\$136.7m). A further \$534.2m worth of sales were for printed educational books while sales of electronic books (which includes audio books) totalled \$12.1m (table9).

Many books are published as a hardback or trade paperback before being reissued as a mass-market paperback. The value of sales of general trade paperback books was \$269.6m, compared with sales of general hardback books of \$278.8m and general mass-market paperback books of \$246.1m (table9).



New titles accounted for \$712.9m or 53% of total book sales (table12). Australian titles comprised 63% (\$848.3m) of total book sales and 62% (\$333.0m) of educational book sales. The sales of Australian titles comprised \$807.8m for titles originated in Australia (95% of Australian titles) and \$40.5m for titles acquired from overseas under separate rights agreements (5%) (table13).

SALES OF BOOKS BY CATEGORY AND ORIGIN OF TITLE



SALES OF AUSTRALIAN AND IMPORTED BOOKS

There were 76.5 million printed books sold which were originated and published by Australian book publishers and other major contributors. The value of these sales was \$768.4m, giving an overall average selling price for Australian originated books of \$10.05 per book. Of such books, tertiary education books had the highest average selling price (\$19.53) (table14).

There were 45.6 million imported printed books sold by Australian book publishers and other major contributors with a sales value of \$491.5m and an overall average selling price per book of \$10.79. Tertiary education books were again the most expensive on average (\$17.20) while children's mass-market paperbacks where the cheapest (\$5.94) (table14).

For printed educational, nonfiction and fiction books, the value of sales of Australian originated publications exceeded those of imports. The value of sales of printed educational books, originated and published by Australian book publishers and other major contributors, was \$310.2m, 48% more than the value of sales of those imported (\$209.0m). For nonfiction books, sales of Australian originated publications (\$292.2m) were 179% higher than the equivalent figure for imports (\$104.8m). Sales of Australian originated fiction books were 22% higher at \$125.2m, compared with \$102.5m for imported fiction. For children's books, however, sales of imports exceeded those of Australian originated publications. Sales of imported children's books were \$75.1m, which is almost double the \$40.9m for sales of the Australian originated product (table14).

NEW AUSTRALIAN TITLES PUBLISHED

There were 9,078 new Australian titles published during 2001-02 of which 8,058 (89%) were printed titles originated by Australian book publishers and other major contributors. The majority of these printed titles (52% or 4,165) were educational. Of the 3,893 general-content titles, 43% were mass-market paperbacks, 41% were trade paperbacks and the remaining 16% were hardbacks (table15).

EXPORTS

Export sales of books amounted to \$186.0m or 14% of total book sales. Re-exports contributed \$5.1m to this amount (table10).

The United States of America (USA) was the biggest single market for books exported from Australia, with sales to the USA totalling \$68.1m which was over one-third (37%) of the total value of exports. Other significant markets were New Zealand (\$37.4m), the United Kingdom (\$27.4m) and Asia (\$12.7m) (table10).

The total sales of rights to businesses in other countries was \$9.8m (table10).

EMPLOYMENT

At the last pay period ending June 2002, book publishers and other major contributors had a total employment of 5,138 people. Of these, 1,798 were males and 3,339 were females. Of the 5,138 people, the majority (3,830 or 75%) were full-time permanent employees. An additional 411 people (8%) were employed permanently on a part-time basis, 682 people (13%) were employed as casuals and 213 (4%) were working proprietors and partners (table8).

STATE AND TERRITORY DATA

In 2001-02, book publishers and other major contributors that were based, or had their head office, in New South Wales accounted for 50% (\$676.0m) of total books sales. Victoria's contribution was 40% (\$534.0m) of total book sales (table2).

CHANGES OVER TIME

A comparison of survey data for 2000-01 and 2001-02 shows relatively small changes in estimates for most data items. With the exception of two data items (total number of books sold and changes in inventories), the changes are not statistically significant and thus may not represent real changes over time (see Explanatory Notes paragraphs 13 to 19).

The total number of books sold increased by 24%, from 105.3 million books in 2000-01 to 129.5 million books in 2001-02. Inventories decreased during 2001-02 by \$21.0m, reversing the increase of \$23.2m which had occurred in the previous year (table17).

After a statistically significant fall between 1999-2000 and 2000-01 (\$105.6m to \$62.7m), the value of operating profit before tax remained fairly stable in 2001-02 (\$60.6m). While the profit margin fell dramatically by 3.7 percentage points between 1999-2000 and 2000-01, no discernible change occurred in 2001-02 (table 17).

Several data items are comparable across the six collection periods since the survey began in 1994 (see paragraphs 20 to 21 of the Explanatory Notes). For example, since 1994 the total sales of books (both Australian and imported titles) rose steadily from \$841.7m to \$1,270.4m in 1999-2000, decreased slightly in 2000-01 to \$1,260.6m, before rising again to \$1,340.8m in 2001-02. The ongoing increase in the value of books sold to 1999-2000 is not reflected in the number of books sold which has fluctuated since 1994; it peaked in 1995-96 (130.6million), fell to its lowest level in 2000-01 (104.3 million) and rose in 2001-02 (129.5 million). Generally, the value of export sales of books has steadily increased over the years; export sales of books in 2001-02 (\$186.0m) were 129% higher than the export sales in 1994 (\$81.1m) (table18).

About this Release

ABOUT THIS RELEASE

Contains details on financial and employment data of book publishers, as well as on industry structure, growth and numbers of books published and sold by type.

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